

Texas Emissions Reduction Plan (TERP)

Alternative Fueling Facilities Program (AFFF)

Fiscal Year 2018 Grant Application Workshop





Workshop Agenda

- TERP Overview
- AFFP Goals & Objectives
- Eligible Projects
- Available Funding
- Eligible & Ineligible Expenses
- Budget Requirements
- Application Process
- Application Scoring & Tips
- Contracts
- Getting Started & Grant Phases
- Operational & Reporting Requirements
- Reimbursement
- Contact Information



What does TERP do?

-  Provides grants to reduce nitrogen oxides (NO_x) emissions from mobile sources
-  Supports programs to encourage the use of alternative fuels for transportation in Texas
-  Helps to keep the air in Texas clean





Why Reduce NO_x Emissions?

Ground level ozone is created by chemical reactions of NO_x and volatile organic compounds (VOC) in the presence of sunlight.





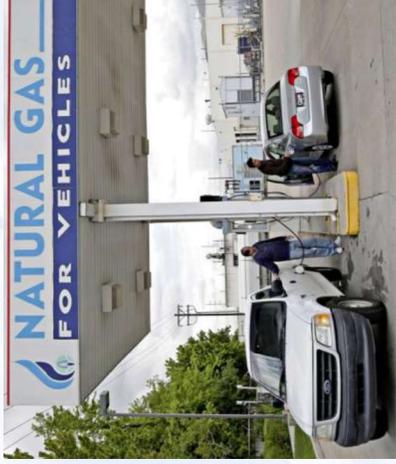
TERP Grant Programs

- Emissions Reduction Incentive Grants (ERIG) Program**
 - Rebate Grants Program**
 - Texas Clean Fleet Program (TCFP)**
 - Texas Natural Gas Vehicle Grant Program (TNGVGP)**
 - Seaport and Rail Yard (SPRY) Program**
 - Alternative Fueling Facilities Program (AFFP)**
 - Texas Clean School Bus (TCSB) Program**
- New Technology Implementation Grants (NTIG) Program**
- Light-Duty Purchase or Lease Incentive (LDPLI) Program**



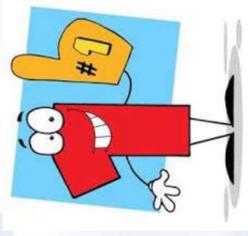
AFFP Objective

To provide fueling facilities for alternative fuel in the Clean Transportation Zone (CTZ)





AFFP Goals



Ensure alternative fuel vehicles
have access to fuel

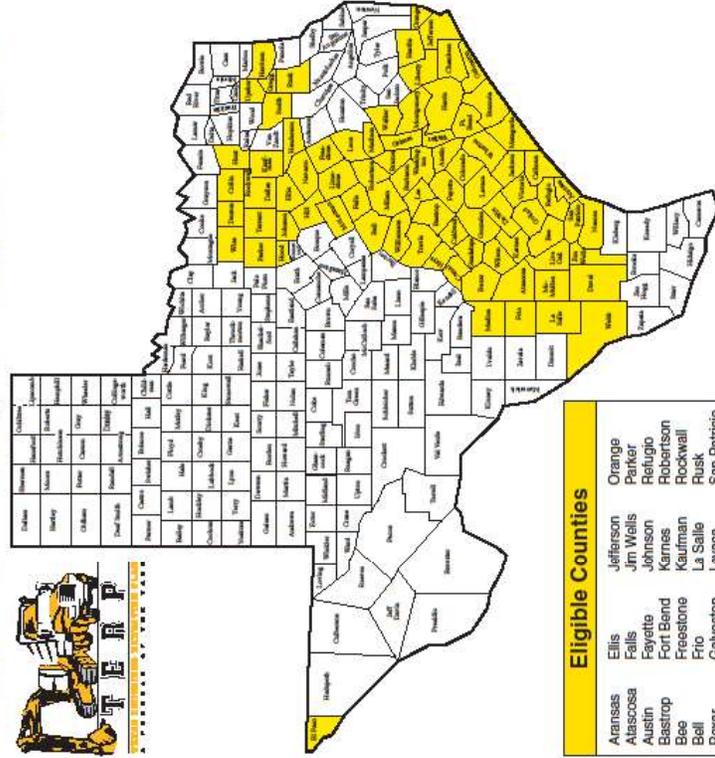
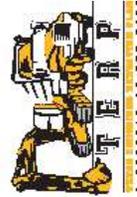


Build the foundation for a self-
sustaining market for alternative
fuels in Texas



AFFP Eligible Counties

Clean Transportation Zone



Eligible Counties

Atascosa	Ellis	Jefferson	Orange
Brewster	Falls	Jim Wells	Parker
Comal	Fayette	Johnson	Refrugio
Duval	Fort Bend	Karnes	Robertson
El Paso	Freestone	Kaufman	Rockwall
Garland	Frio	La Salle	Rusk
Harris	Galveston	Lavaca	San Patricio
Hidalgo	Goliad	Lee	Smith
Jefferson	Gonzales	Leon	Tarrant
Kimble	Burleson	Liberty	Travis
Live Oak	Gregg	Limestone	Upshur
Madison	Guadalupe	Live Oak	Victoria
Maricopa	Hardin	Madison	Walker
McMullen	Harris	Matagorda	Waller
Montgomery	Hays	Medina	Washington
Navarro	Henderson	McLennan	Webb
Nueces	Hill	McMullen	Wharton
	Hood	Montgomery	Williamson
	Hunt	Navarro	Wilson
	Jackson	Nueces	Wise



September 2017

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AFFP Eligible Applicants

- Legal entities eligible to conduct business in Texas
- Must purchase and own grant-funded equipment for life of grant





AFFP Eligible Fuel Types

Eligible Fuels

- Natural gas (CNG and/or LNG)
- Hydrogen
- Biodiesel (at least 20% by volume)
- Propane
- Electricity
- Methanol (at least 85% by volume)

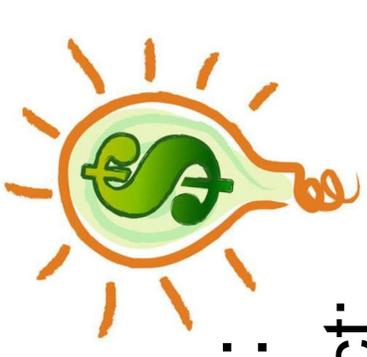


AFFP Eligible Facilities

- **New facilities or facilities providing new services**
 - Construction of a new facility
 - Expansion of alternative fuel service or capacity of an existing facility
- **Projects open to the public considered for funding before private facilities**



AFFP Funding Available



- Approximately \$6 Million
- Grant amounts **may not exceed:**
 - \$400,000 for a CNG or LNG project;
 - \$600,000 for a project combining CNG and LNG; or
 - 50% of the total eligible project cost up to a maximum of \$600,000 for fuels other than natural gas.



AFFP Eligible Expenses

- **Priority Budget Categories:**
 - Equipment
 - Supplies and Materials
- **Secondary Budget Categories:**
 - Construction
 - Contractual Services
 - Other Expenses





AFFP Ineligible Expenses

- **Project costs not eligible for reimbursement:**
 - costs incurred prior to September 25, 2017;
 - employee salaries and travel expenses;
 - facility improvements and equipment not directly associated with the natural gas or alternative fuel dispensing equipment;
 - land or existing station purchase;
 - fees for TCEQ-issued permits; and
 - administrative costs.





AFFP Budget Requirements

- Include TOTAL Project Costs
- Identify and distinguish between:
 - expenses eligible for reimbursement; and
 - expenses that are part of the project but not eligible for reimbursement.





AFFP Application Process



STEP 1: Review the Request for Grant Applications (RFGA) and sample contract

STEP 2: Download the application form and W-9

STEP 3: Complete the application

STEP 4: Mail or hand deliver the application forms and supporting documents

Application, reference documents, and workshop dates and locations can be found at **terpgrants.org**.



Submitting the Application

Submit application in person or by mail to:



TCEQ
12100 Park 35 Circle,
Bldg. F (MC-204)
Austin, TX 78753



one paper copy with original signatures
(photocopies cannot be accepted.)



one electronic copy (CD/DVD only)

SUBMISSION DEADLINE:

January 16, 2018
5:00 p.m. Central Standard Time



Submitting the Application (Continued)

We cannot accept:

- Applications via email
- Anything on a USB
- Anything confidential in electronic form
- Photocopied signatures





Confidential Documents

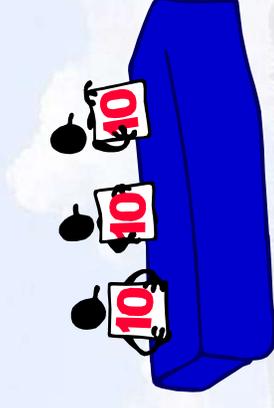


- Application is not confidential
- Only supporting information can be confidential
- Confidential **not in electronic form**
- How to submit:
 - Clearly marked in separate envelope
 - Mark every page: ***“Confidential/Proprietary: Inform applicant & Seek AG Opinion before Releasing”***



AFFP Grant Scoring Criteria

- **Proposed Station Location and Service Capacity** (up to 40 points)
- **Project Objectives** (up to 15 points) and **Applicant Qualifications** (up to 5 points)
- **Project Feasibility** (up to 20 points)



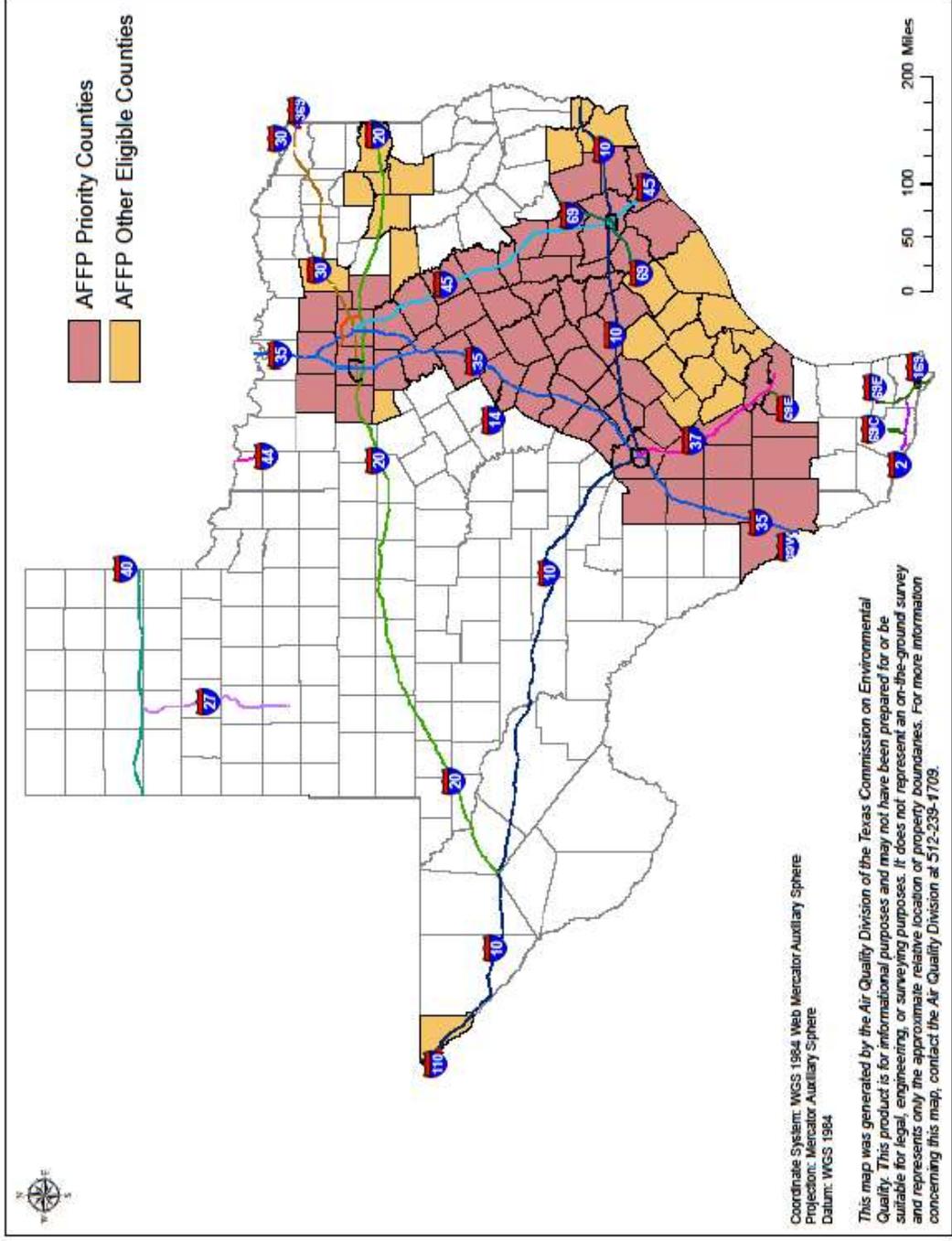


AFFP Grant Scoring Preferences

- 1** Both CNG and LNG offered
- 2** Proximity to interstate, US, or state highway
- 3** Location in triangular area between Houston, San Antonio, and Dallas-Fort Worth and in the area between the Corpus Christi, Laredo, and San Antonio areas



AFFP Grant Scoring Preferences (Proximity to interstate highway and priority counties)





Tips for Strengthening AFFP Grant Applications

- Thorough responses
- Address AFFP goals
- Address scoring criteria
- Comprehensive budget
- Use the checklist
- Original signatures





Contracts

- Executed contract required
- Notice to Proceed (NTP)
- Expenses incurred prior to receipt of NTP at grantee's own risk





Getting Started



Provide TCEQ proof of insurance and property rights



Receive Notice to Proceed from TCEQ

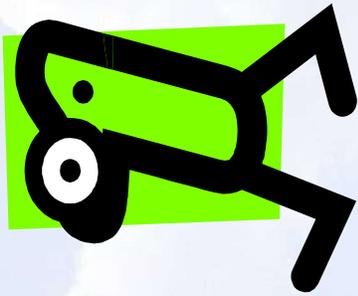


Begin project, submit requests for reimbursement



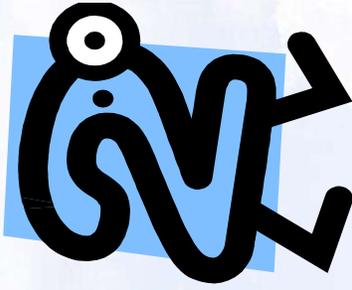


AFFP Grant Phases



- **Implementation Phase**

- Construction
- Reimbursement
- *Project must be completed by May 31, 2020.*



- **Three-Year Operational Phase**

- Facility must remain operational for three years from project completion.



Operational Requirements

- Ownership/control;
- Insurance;
- Facility condition;
- Annual reports; and
- Compliance





Reporting Requirements

Implementation Phase:

- Quarterly Progress Reports
- Final Report with pictures



Operation Phase:

- Annual Progress Reports for three years after station opens
- Report any operational changes



Reimbursement

- **Supporting Documentation Required**

- cancelled checks (front and back)
- credit card or bank statements
- itemized invoices
- connect the dots



- **Retained Funds:**

- 25% withheld from each reimbursement
- paid upon project completion



Reimbursement (Continued)

- Request reimbursement after costs incurred and paid
- Submit requests monthly as incurred or upon completion
- Status reports may be required
- Reimbursement forms provided with contract





AFFP Contact Information



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We are here to help!